



**COUNCILMEMBER DONNA FRYE**

**City of San Diego  
Sixth District**

*MEMORANDUM*

**DATE:** November 19, 2007  
**TO:** Honorable Mayor Jerry Sanders  
**FROM:** Councilmember Donna Frye *Donna Frye*  
**SUBJECT:** Compliance with Labor Contracts

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In 2005, the City agreed to put \$600 million into the pension fund as part of the labor negotiations in exchange for concessions from the unions in the amount of \$17 million per year. It is my understanding that the City has until June of 2008 to fund the amount remaining. To date, the City has put \$107 million in the pension fund as part of that agreement, leaving a balance of \$493 million. Please provide a written response to the following:

1. What is your plan to fund the remaining \$493 million?
2. If you do not have a plan to fund the remaining amount, please provide an analysis of the financial impact of not funding the remaining amount.
3. Finally, has the \$493 million still owed been disclosed in the City's 2005 Comprehensive Annual Financial Report and if so on what page?

Thank you for your prompt response.

**CC:** Honorable City Councilmembers  
City Attorney, Michael Aguirre  
Independent Budget Analyst, Andrea Tevlin  
Stanley Keller, Independent Monitor  
Eduardo Luna, City Auditor  
Greg Levin, City Comptroller

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